

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE WESTERN DISTRICT OF TEXAS
AUSTIN DIVISION**

In re:	§	Chapter 11
	§	
WILLIAM G. WENDLANDT	§	Case No. 25-10657
	§	
120-MP VICTORIA, LTD.	§	Case No. 25-10658
	§	
LAURENT TOWER, LLC	§	Case No. 25-10669
	§	
1309 RED RIVER DEVELOPMENT COMPANY, LLC	§	Case No. 25-10670
	§	
120 SOUTH MAIN PARKING LLC	§	Case No. 25-10671
	§	
	§	Joint Administration Requested
	§	under Case No. 25-10657

**DECLARATION OF WILLIAM WENDLANDT,
IN SUPPORT OF CHAPTER 11 PETITIONS AND FIRST DAY MOTIONS**

I, William “Bill” Wendland hereby declare under penalty of perjury:

I am the 100% owner of 120-MP Victoria GP, LLC, which is the general partner of 120-MP Victoria, Ltd., and is the 100% limited partner of 120-MP Victoria, Ltd. I am also the 100% member and manager of Laurent Tower, LLC, 1309 Red River Development Company, LLC, and 120 South Main Parking, LLC. Personally, I own the historical McNamara House located at 502 Liberty in Victoria, Texas. The McNamara House and real estate owned by all of these companies are collateral for a loan with First State Bank, Louise (“FSBL”), which is the driving force behind these bankruptcy filings. Debtor and FSBL have done business since 2018.

My homestead is located at 40 N. IH 35, Austin, Texas 78701. I have been a licensed real estate broker focused on commercial office buildings and managed leasing for over 30 years. Up until May 2001, I was a commercial tenant representation broker focusing on the Austin, Texas market. In May of 2001, I began purchasing buildings in Victoria, Texas with my first purchase being the 160,000 square foot office building located at 120 South Main Street in Victoria Texas under 120-MP Victoria, Ltd. Next, I purchased the 110,000 square foot office building Laurent Tower located at 1908 N. Laurent Street in Victoria Texas in March 2007, which is titled under Laurent Tower, LLC. In August of 2016, I purchase the 40,000 square foot office building located at 1309 Red River, Victoria, Texas, which is titled under 1309 Red River Development Company, LLC. Over time, I purchased several parking lots in and around the Victoria area, which are titled under 120

South Main Parking, LLC. All of these properties and the McNamara House titled in my personal name with collective value in excess of \$22,000,000 serve as collateral for the loans with FSBL totaling approximately \$5.9 million, which was incurred around 2018. The list of all assets believed to be under the FSBL loan along with their taxing authority stated values are as follows¹:

Property ID	Year	Geo ID	Address	Owner Name	Assessed
63384	2025	54800-148-00100	502 N LIBERTY, VICTORIA TX	WENDLANDT WILLIAM	\$467,390.00
20389869	2025	50880-003-00208-12	1309 E RED RIVER, VICTORIA TX	1309 RED RIVER DVL	\$5,809,660.00
20406672	2025	50880-003-00209	1309 E RED RIVER, VICTORIA TX	1309 RED RIVER DVL	\$291,058.00
20406673	2025	50880-003-00209	1309 E RED RIVER, VICTORIA TX	1309 RED RIVER DVL	\$409,940.00
39032	2025	07970-001-00100	1908 N LAURENT, VICTORIA TX	LAURENT TOWER LLC	\$9,739,900.00
63132	2025	54800-112-00106	221 S MAIN, VICTORIA TX	LAURENT TOWER LLC	\$600,000.00
20397369	2025	23000-003-00212	E BRAZOS, VICTORIA TX	LAURENT TOWER LLC	\$32,370.00
63354	2025	54800-143-00300	S LIBERTY, VICTORIA TX	120-MP VICTORIA LTD	\$34,040.00
81974	2025	54801-128-001R0	120 S MAIN, VICTORIA TX	120-MP VICTORIA LTD	\$12,164,640.00
					\$29,548,998.00

While the driving force behind the bankruptcy filing are the FSBL loans, the problems with FSBL really initiated from events largely outside of Debtors' control that "snowballed" over time.

First, Hurricane Harvey struck the Texas gulf coast in August of 2017. With Victoria being only 30 miles from the coast, Hurricane Harvey caused over \$1,500,000 in damage. Additionally, and of more consequence, several tenants moved while the buildings were being repaired. Neither of these would have been critical if Debtors' insurance carrier Lloyd's of London timely paid the insurance claims, which would have provided the funds for repair. Lloyds refused the claims and it wasn't until 7 years of litigation completed that Lloyd's finally paid the claims. The effects of Lloyd's refusing to pay cannot be understated. Debtors had to use their cash flow to repair the buildings and the domino effect of that issue are still felt today. Following Hurricane Harvey, Covid 19 struck Texas in Spring of 2020.

¹ I believe these assessment values are high and the actual total value of all the encumbered real estate is closer to \$22,000,000,

When Covid hit Texas, several tenants vacated their spaces, further reducing Debtors' revenue. Then, in February 2021, when the ice storm "Snovid" hit Texas, many of the Debtors' pipes froze from the water shut downs causing large scale freezing in Debtors' buildings. These incidents all weakened the Debtors further, and instead of completing general maintenance on the buildings, Debtors had to use their funds to make damage repairs. When Lloyd's finally paid approximately \$3,525,000 in September 2024, instead of Debtors being reimbursed for all the funds expended to repair the buildings, I sent \$2,076,464.89 to FSBL for the payoff amount sent from FSBL to us for 120-MP Victoria, Ltd. (loan #5344), 1309 Red River Development Company, LLC (loan #2622) and the property at 221 S. Main Street (loan #5344), the rest of the money went to pay costs of litigation.

Several Debtors loans with FSBL matured throughout 2024. FSBL agreed to extend the loans but the interest rates increased from 6 to 12 percent from mid 2023 until the fall of 2024. The extensions expired February 6, 2025. Debtors requested another extension to grant Debtors the additional time necessary to refinance the FSBL loan, but FSBL refused. Most recently, FSBL has directed all tenant rents to be paid to it directly, which has prevented the Debtors from paying for insurance.

Other significant Debts owed by Debtors are three judgment liens for electrical service, two for HVAC units and a blanket MCA UCC lien. While the judgments were from 2022 litigation, they can be ultimately traced back to the Lloyd's insurance issue further exacerbated by Covid's office exodus and the water breaks from 2021. These debts are as follows:

- Judgement in favor of Reliant Energy totaling approximately \$1,050,000 against Laurent Tower, LLC and 120-MP Victoria, Ltd (and its General Partner 120-MP Victoria, GP, LLC).
- Judgement in favor of Trane US Inc. totaling approximately \$150,000 against 120-MP Victoria, Ltd.
- Judgment in favor of Carrier Corporation.
- UCC blanket lien filed by Advance Servicing, Inc. against William Wendlandt, and Laurent Tower, LLC.²

One major challenge the Debtors have faced is obtaining property and casualty insurance, which caused FSBL to obtain forced place coverage that ultimately will be paid by the Debtors. The issue has not been due to an inability to pay but because of several reasons. First, Debtors ability to obtain insurance has been affected by the Lloyd's of London lawsuit. Second, the insurance carriers have taken an inordinate amount of time to investigate the properties for insurability. Third, and most recently, Debtors do not have the funds to pay the insurance because FSBL has directed all payments to it.

² We cannot find documents related to this loan. We tried to find contact information but only found an address in New Jersey and no phone number or website.

Debtors have obtained a commitment for insurance from Jim McCormick with McCormick Insurance Group, which requires an upfront payment of approximately \$33,000 followed by monthly payments of approximately \$13,000 for ten months. The \$33,000 has been divided between 120-MP Victoria, Ltd, Laurent Tower, LLC and 1309 Red River Development Company, LLC as follows: \$4300 to 1309 Red River Development Company, LLC and \$14,350 to each of the other entities. I believe 120-MP Victoria, Ltd.'s largest tenant, Texas Workforce, has not yet sent the money to FSBL. Upon receipt of that payment, 120-MP Victoria, Ltd. will pay for the first insurance payment for itself and 1309 Red River Development Company, LLC and receive an intercompany receivable for the 1309 Red River Development Company, LLC's share of the insurance. Laurent Tower, LLC shall pay its own share. McNamara House does not have insurance. Its insurance shall be paid from the wages paid to me.

Debtors are close to the position where they can obtain the funds necessary to refinance the FSBL debt. The primary impediment to obtaining the refinance has been that several major tenants are up for renewal. Debtors anticipate having those renewals completed within the next 30 to 60 days. Additionally, while not necessary for the refinance, I am actively engaged in discussions with several other potential tenants and believes several unoccupied spaces will be rented during this same period of time.

Debtors previously employed Jose Gonzalez with Lending Strategy Advisers, LLC to assist with Debtors' refinance and we are filing a motion to employ Lending Strategy Advisers by the estate. Jose Gonzalez has diligently been working with traditional and non traditional lenders on obtaining exit financing.

Debtors plan to exit bankruptcy centers around refinancing the FSBL debt with traditional or non traditional financing. According to Joe Gonzalez, More than one bank has indicated a willingness to refinance all the secured debt upon resigning the primary tenants. If resigning sufficient tenants cannot be timely completed, then the Debtors have identified non traditional financiers willing to refinance the secured debt. If Debtors are unable to complete non traditional financing, the Debtors shall sell assets sufficient to retire the FSBL debt.

During the bankruptcy, the Debtors need to continue paying their employees, insurance, building maintenance, taxes and utilities. If Debtors fail to pay their employees, utilities, and maintain the buildings, then tenants will leave causing the value of the assets to decrease. 120-MP Victoria, Ltd, and Laurant Tower, LLC each have accrued payroll outstanding from April 28, 2025, through May 5, 2025. The payroll is estimated in Exhibit A to each of the motions for payment of prepetition employee payroll in cases 25-10658 and 25-10669. None of the payroll listed in the first two weeks of Exhibit A is for insider payroll. My salary will be \$4000 monthly each from Laurant Tower, LLC, 120-MP Victoria, Ltd., and 1309 Red River Development Company, LLC.

Paying insurance is critical. Victoria is close to the Texas coast, and we are rapidly approaching hurricane season. Flood insurance has a 30 day period where insurance is not effective; hence, paying for insurance now is critical.

Attached as Exhibit A to Debtors' Joint Motion for Use of Cash Collateral and for Adequate Protection to Secured Lenders, are the projected expenses for each Debtor for the next 4 weeks and then the following two months.

120 South Main Parking LLC, holds the deeds to various parking lots around the Debtors' office buildings. This entity does not generate income apart from providing parking to these entities; therefore, does not have a budget of its own.

My homestead is under contract for sale to Angelica Gutierrez Castano ("Castano") for \$1,850,000. Castano is not an insider and is scheduled to close on May 23, 2025. My broker is Doug Harrison with Urban Space Realty, 301 West Ave #100, Austin, TX 78701. Doug Harrison is not an insider. Because the closing of my homestead is imminent, we propose to approve Doug Harrison's sales commission in conjunction with the sale approval motion rather than an independent motion to employ.

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge, information, and belief.

Dated: May 6, 2025

Respectfully submitted,

By: /s/ William Wendlandt

Name: William Wendlandt